

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: MARCH 17, 2023

AGENDA ITEM

D

MARCH 22, 2023

CONSENT AGENDA

The following items are considered routine and non-controversial by staff and may be approved by one motion if no member of the Board wishes an item removed. If discussion is desired, the item may be removed from the Consent Agenda by a Board member and will be considered separately at the conclusion of the Administrative Items. Individual items on the Consent Agenda are approved by the same vote that approves the Consent Agenda, unless an item is pulled for separate consideration. The recommendations for each item are noted in bracket. Members of the public may comment on the Consent Agenda items.

**Questions or clarification may be made by the Board members
without removal from the Consent Agenda**

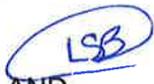
- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE MARCH 8, 2023, REGULAR BOARD MEETING MINUTES
[RECOMMEND APPROVE MINUTES]

TO: BOARD OF DIRECTORS

REVIEWED: MARIO IGLESIAS
GENERAL MANAGER



FROM: LISA BOGNUDA
FINANCE DIRECTOR AND
JANA ETTEDDGUE
ADMINISTRATIVE SUPERVISOR



DATE: MARCH 17, 2023

**AGENDA ITEM
D-1
MARCH 22, 2023**

WARRANTS

| | |
|--|-------------|
| COMPUTER CHECKS GENERATED – SEE ATTACHED | \$88,517.16 |
| HAND WRITTEN CHECKS | NONE |
| VOIDED CHECKS | NONE |

Item D-1 Warrants MARCH 22, 2023

Nipomo Community Services District

By Payment Number

Payment Dates 3/22/2023- 3/22/2023

| Vendor Name | Description (Payable) | Payable Number | Payment Date | Amount |
|--------------------------------|----------------------------------|----------------|--------------|-----------------|
| Payment: 11000 | | | | |
| JOHN BROBERG | UB REFUND | UB REFUND | 03/22/2023 | 592.84 |
| Payment 11001 Total: | | | | 592.84 |
| Payment: 11001 | | | | |
| Advantage Answering Plus, Inc. | Answering service | 000028-258-851 | 03/22/2023 | 369.59 |
| Payment 11001 Total: | | | | 369.59 |
| Payment: 11002 | | | | |
| AT&T | Telephone | 000019541514 | 03/22/2023 | 28.96 |
| AT&T | Telephone | 000019541516 | 03/22/2023 | 281.83 |
| AT&T | Telephone | 000019541515 | 03/22/2023 | 179.57 |
| Payment 11002 Total: | | | | 490.36 |
| Payment: 11003 | | | | |
| Brenntag Pacific, Inc. | Sodium hypochlorite | BPI314968 | 03/22/2023 | 1,005.31 |
| Payment 11003 Total: | | | | 1,005.31 |
| Payment: 11004 | | | | |
| CalPortland Construction | Truck rental | 95804899 | 03/22/2023 | 147.44 |
| CalPortland Construction | 3/8" cold mix | 95804900 | 03/22/2023 | 1,295.81 |
| CalPortland Construction | Truck rental | 95804898 | 03/22/2023 | 390.60 |
| CalPortland Construction | Class 2 base | 95804901 | 03/22/2023 | 1,070.53 |
| Payment 11004 Total: | | | | 2,904.38 |
| Payment: 11005 | | | | |
| Clever Ducks | Computer expense | 34054 | 03/22/2023 | 2,135.79 |
| Clever Ducks | Computer expense | 34055 | 03/22/2023 | 3,000.00 |
| Payment 11005 Total: | | | | 5,135.79 |
| Payment: 11006 | | | | |
| Electricraft, Inc. | Electrical repair - Sundale well | 18597 | 03/22/2023 | 688.95 |
| Payment 11006 Total: | | | | 688.95 |
| Payment: 11007 | | | | |
| EMCOR Services Mesa Energy | HVAC repair - main office | 962012012 | 03/22/2023 | 605.00 |
| EMCOR Services Mesa Energy | Compressor repair - Shop | 962012011 | 03/22/2023 | 388.00 |
| Payment 11007 Total: | | | | 993.00 |
| Payment: 11008 | | | | |
| Engel & Gray, Inc. | Biosolids collection | 32X00008 | 03/22/2023 | 9,061.82 |
| Payment 11008 Total: | | | | 9,061.82 |
| Payment: 11009 | | | | |
| Farm Supply Company | Latching solenoid, weed | 90078 | 03/22/2023 | 211.74 |
| Payment 11009 Total: | | | | 211.74 |
| Payment: 11010 | | | | |
| FGL Environmental | Lab tests | 380019A | 03/22/2023 | 653.00 |
| FGL Environmental | Lab tests | 380020A | 03/22/2023 | 807.00 |
| Payment 11010 Total: | | | | 1,460.00 |
| Payment: 11011 | | | | |
| First American Title Company | Title report | 718-718114702 | 03/22/2023 | 400.00 |
| Payment 11011 Total: | | | | 400.00 |
| Payment: 11012 | | | | |
| Frontier Communications | BL Telephone | FEB2023 | 03/22/2023 | 59.81 |
| Payment 11012 Total: | | | | 59.81 |
| Payment: 11013 | | | | |
| Great Western Alarm and | Alarm monitoring service | 230102107101 | 03/22/2023 | 80.00 |
| Great Western Alarm and | Alarm monitoring service | 230200640101 | 03/22/2023 | 45.00 |
| Great Western Alarm and | Alarm monitoring service | 230202107101 | 03/22/2023 | 80.00 |
| Great Western Alarm and | Alarm monitoring service | 230202062101 | 03/22/2023 | 80.00 |
| Great Western Alarm and | Alarm monitoring service | 230102062101 | 03/22/2023 | 80.00 |

Item D-1 Warrants MARCH 22, 2023

Payment Dates: 03/22/2023 - 03/22/2023

| Vendor Name | Description (Payable) | Payable Number | Payment Date | Amount |
|------------------------------------|-----------------------------------|-------------------|--------------|------------------|
| Great Western Alarm and | Alarm monitoring service | 230100640101 | 03/22/2023 | 45.00 |
| Payment 11013 Total: | | | | 410.00 |
| Payment: 11014 | | | | |
| Home Depot Credit Services | Facility maintenance supplies | FEB2023 | 03/22/2023 | 270.79 |
| Payment 11014 Total: | | | | 270.79 |
| Payment: 11015 | | | | |
| Iconix Waterworks (US) Inc. | Pack joint couplings | U2316007402 | 03/22/2023 | 64.17 |
| Payment 11015 Total: | | | | 64.17 |
| Payment: 11016 | | | | |
| Iglesias, Mario | Cell phone reimbursement | MAR2023 | 03/22/2023 | 65.00 |
| Payment 11016 Total: | | | | 65.00 |
| Payment: 11017 | | | | |
| Integrated Industrial Supply, Inc. | Safety boots, fuel cylinders | 89958 | 03/22/2023 | 84.73 |
| Integrated Industrial Supply, Inc. | Disposable coveralls, faceshields | 90153 | 03/22/2023 | 290.55 |
| Payment 11017 Total: | | | | 375.28 |
| Payment: 11018 | | | | |
| Iron Mountain | Shredding service | HJPP426 | 03/22/2023 | 126.20 |
| Payment 11018 Total: | | | | 126.20 |
| Payment: 11019 | | | | |
| MacLeod Watts Inc | GASB75 report for audit FY22-23 | 031423NIPOM | 03/22/2023 | 6,600.00 |
| Payment 11019 Total: | | | | 6,600.00 |
| Payment: 11020 | | | | |
| Maldonado, Francisco | Reimbursement - training | MAR2023 | 03/22/2023 | 909.99 |
| Payment 11020 Total: | | | | 909.99 |
| Payment: 11021 | | | | |
| Mission Uniform Service | Uniforms | 518825453 | 03/22/2023 | 435.68 |
| Mission Uniform Service | Uniforms | 518903230 | 03/22/2023 | 186.08 |
| Mission Uniform Service | Uniforms | 518860305 | 03/22/2023 | 337.77 |
| Payment 11021 Total: | | | | 959.53 |
| Payment: 11022 | | | | |
| MNS Engineers, Inc. | Construction management - | 82390 | 03/22/2023 | 9,900.00 |
| MNS Engineers, Inc. | Construction management - | 82389 | 03/22/2023 | 4,876.50 |
| Payment 11022 Total: | | | | 14,776.50 |
| Payment: 11023 | | | | |
| NewLane Finance Company | Telephone | 114526-04/03/2023 | 03/22/2023 | 313.98 |
| Payment 11023 Total: | | | | 313.98 |
| Payment: 11024 | | | | |
| NexTraq | GPS subscription | AT1502688 | 03/22/2023 | 535.10 |
| Payment 11024 Total: | | | | 535.10 |
| Payment: 11025 | | | | |
| Nipomo Area Recreation | February 2023 Clean Streets | 5 | 03/22/2023 | 474.00 |
| Payment 11025 Total: | | | | 474.00 |
| Payment: 11026 | | | | |
| Nipomo Community Services | Water | FEB2023 | 03/22/2023 | 384.83 |
| Payment 11026 Total: | | | | 384.83 |
| Payment: 11027 | | | | |
| Nunley & Associates, Inc. | Supplemental Water Project | 102112 | 03/22/2023 | 939.23 |
| Nunley & Associates, Inc. | 135 E Branch St Improvements | 102134 | 03/22/2023 | 585.50 |
| Nunley & Associates, Inc. | Dana Reserve Water & Sewer | 102080 | 03/22/2023 | 3,030.78 |
| Nunley & Associates, Inc. | Tract 3163 Improvement Plan | 102135 | 03/22/2023 | 261.11 |
| Nunley & Associates, Inc. | Lucky Lane PCIA | 102133 | 03/22/2023 | 1,847.63 |
| Nunley & Associates, Inc. | Supplemental Water Project | 102081 | 03/22/2023 | 2,649.68 |
| Nunley & Associates, Inc. | Tract 3056 PCIA | 102132 | 03/22/2023 | 1,269.48 |
| Nunley & Associates, Inc. | Branch St Waterline | 102117 | 03/22/2023 | 4,408.40 |
| Payment 11027 Total: | | | | 14,991.81 |

Item D-1 Warrants MARCH 22, 2023

Payment Dates: 03/22/2023 - 03/22/2023

| Vendor Name | Description (Payable) | Payable Number | Payment Date | Amount |
|--|--------------------------------|----------------|--------------|------------------|
| Payment: 11028 | | | | |
| Office Depot | Office supplies | 293200166001 | 03/22/2023 | 189.36 |
| Payment 11028 Total: | | | | 189.36 |
| Payment: 11029 | | | | |
| Olivas, Silas | Reimbursement - training | MAR2023 | 03/22/2023 | 837.18 |
| Payment 11029 Total: | | | | 837.18 |
| Payment: 11030 | | | | |
| O'Reilly Automotive Inc. | Parts and supplies | FEB2023 | 03/22/2023 | 90.74 |
| Payment 11030 Total: | | | | 90.74 |
| Payment: 11031 | | | | |
| Paxxo (USA), Inc. | Longopac Cassette | F23-072 | 03/22/2023 | 841.73 |
| Payment 11031 Total: | | | | 841.73 |
| Payment: 11032 | | | | |
| R. Baker, Inc. | Beechnut Ave water leak repair | 532 | 03/22/2023 | 15,946.60 |
| Payment 11032 Total: | | | | 15,946.60 |
| Payment: 11033 | | | | |
| Simplot Grower Solutions | CAN 17 | 780158135 | 03/22/2023 | 1,166.47 |
| Payment 11033 Total: | | | | 1,166.47 |
| Payment: 11034 | | | | |
| SLO County Air Pollution Control Nipomo Palms generator permit 22758 | | | 03/22/2023 | 1,138.60 |
| Payment 11034 Total: | | | | 1,138.60 |
| Payment: 11035 | | | | |
| Stantec Consulting Services, Inc | Dune well resample | 2050746 | 03/22/2023 | 2,236.13 |
| Payment 11035 Total: | | | | 2,236.13 |
| Payment: 11036 | | | | |
| Verizon Wireless | Cell service | 9928411160 | 03/22/2023 | 709.33 |
| Payment 11036 Total: | | | | 709.33 |
| Payment: 11037 | | | | |
| Waste Connections | Waste collection - Southland | 8016541U120 | 03/22/2023 | 311.41 |
| Waste Connections | Waste collection - Old Town | 8016216U120 | 03/22/2023 | 352.40 |
| Waste Connections | Waste collection - Office | 8015375U120 | 03/22/2023 | 66.44 |
| Payment 11037 Total: | | | | 730.25 |

TO: BOARD OF DIRECTORS
FROM: MARIO IGLESIAS
GENERAL MANAGER
DATE: MARCH 17, 2023



**APPROVE MARCH 8, 2023
REGULAR BOARD MEETING MINUTES**

ITEM

Approve action minutes from previous Board meetings. [RECOMMEND APPROVE MINUTES]

BACKGROUND

The draft minutes are a written record of the previous Board Meeting action.

RECOMMENDATION

Approve Minutes

ATTACHMENT

- A. March 8, 2023 draft Regular Board Meeting Minutes

MARCH 22, 2023

ITEM D-2

ATTACHMENT A

NIPOMO COMMUNITY SERVICES DISTRICT

Serving the Community since 1965

DRAFT REGULAR MINUTES

MARCH 8, 2023 AT 9:00 A.M.

JON S. SEITZ BOARD ROOM 148 SOUTH WILSON STREET, NIPOMO, CA

BOARD of DIRECTORS

RICHARD MALVAROSE, **PRESIDENT**
DAN ALLEN GADDIS, **VICE PRESIDENT**
ED EBY, **DIRECTOR**
DAN WOODSON, **DIRECTOR**
GARY HANSEN, **DIRECTOR**

PRINCIPAL STAFF

MARIO IGLESIAS, **GENERAL MANAGER**
LISA BOGNUDA, **FINANCE DIRECTOR**
PETER SEVCIK, **DIRECTOR OF ENG. & OPS.**
CRAIG STEELE, **GENERAL COUNSEL**

Mission Statement:

Provide our customers with reliable, quality, and cost-effective services now and in the future.

A. CALL TO ORDER AND FLAG SALUTE

President Malvarose called the Regular Meeting of February 8, 2023, to order at 9:00 a.m. and led the flag salute.

B. ROLL CALL AND PUBLIC COMMENT FOR ITEMS NOT ON AGENDA

At Roll Call, all Directors were present.

There were no public comments.

C. PRESENTATIONS AND REPORTS

- C-1) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING PROGRAMS, CONFERENCES AND SEMINARS.
Receive Announcements and Reports from Director

Director Gaddis

- *February 28, attended Board Officers' Meeting*

Director Eby

- *February 23, attended the NMMA Technical Group meeting*
- *March 1, WRAC meeting was cancelled*
- *March 16, LAFCO meeting is cancelled*
- *March 16, DeSal presentation at the ASCE meeting*

Director Malvarose

- *February 28, attended Board Officers' Meeting*

- C-2) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND REPORTS

There were no public comments.

Upon the motion of Director Eby and seconded, the Board approved receiving and filing presentations and reports.

SUBJECT TO BOARD APPROVAL

**Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES**

Vote 5-0.

| YES VOTES | NO VOTES | ABSENT |
|--|----------|--------|
| Directors Eby, Woodson, Hansen, Gaddis and Malvarose | None | None |

D. CONSENT AGENDA

- D-1) WARRANTS [RECOMMEND APPROVAL]
- D-2) APPROVE FEBRUARY 22, 2023, REGULAR BOARD MEETING MINUTES [RECOMMEND APPROVE MINUTES]
- D-3) ADOPT RESOLUTION TO REPEAL RESOLUTION NO. 2020-1550 THAT GRANTED THE NIPOMO COMMUNITY SERVICES DISTRICT'S GENERAL MANAGER ADDED AUTHORITY IN RESPONSE TO THE LOCAL STATE OF EMERGENCY ARISING OUT OF THE COVID-19 PANDEMIC [RECOMMEND ADOPT RESOLUTION]

There were no public comments.

Upon the motion of Director Gaddis and seconded, the Board approved Consent Agenda. Vote 5-0.

| YES VOTES | NO VOTES | ABSENT |
|--|----------|--------|
| Directors Gaddis, Hansen, Woodson, Eby and Malvarose | None | None |

RESOLUTION NO. 2023-1656
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
TERMINATING THE LOCAL STATE OF EMERGENCY
ARISING OUT OF THE COVID-19 PANDEMIC
AND REPEALING RESOLUTION NO. 2020-1550

E. ADMINISTRATIVE ITEMS

- E-1) CONSIDER FIRST AMENDMENT TO GRANT AGREEMENT WITH ACHIEVEMENT HOUSE INC. FOR SOLID WASTE REMOVAL IN NIPOMO COMMUNITY COMMON AREAS [RECOMMEND APPROVE FIRST AMENDMENT TO AGREEMENT WITH ACHIEVEMENT HOUSE FOR SOLID WASTE REMOVAL]

Mario Iglesias, General Manager, presented the item and answered questions from the Board.

Courtney Musgrave from the Achievement House, thanked the Board for their support and stated Achievement House is in agreement with the terms of the First Amendment to the Grant Agreement.

There were no public comments.

Upon the motion of Director Gaddis and seconded, the Board approved the first amendment to the grant agreement with Achievement House for solid waste removal. Vote 5-0.

| YES VOTES | NO VOTES | ABSENT |
|--|----------|--------|
| Directors Gaddis, Woodson, Hansen, Eby and Malvarose | None | None |

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES

- E-2) REPORT ON PROPERTY TAX REVENUE EXCHANGE AGREEMENTS ARISING OUT OF ANNEXATION APPLICATIONS [RECOMMEND CONSIDER REPORT AND, IF DEEMED APPROPRIATE, PROVIDE DIRECTION TO THE GENERAL MANAGER]

Craig Steele, District Legal Counsel, presented the item and answered questions from the Board.

There were no public comments.

On motion of Director Eby and seconded, the Board directed to Staff to prepare an amendment to the District's Annexation Policy for the Board's consideration at the March 22, 2023 Board Meeting to reflect the District's position of negotiating Tax Agreements for future annexations that are aligned with the percentage share the District agreed to in annexations.

- E-3) AUTHORIZE TASK ORDER WITH WALLACE GROUP FOR PREPARATION OF 2023 SANITARY SEWER MANAGEMENT PLAN UPDATE [RECOMMEND ADOPT RESOLUTION]

Peter Sevcik , Director of Engineering and Operations, presented the item and answered questions from the Board.

There were no public comments.

Upon the motion of Director Hansen and seconded, the Board approved the Resolution. Vote 5-0.

| YES VOTES | NO VOTES | ABSENT |
|--|----------|--------|
| Directors Hansen, Woodson, Eby, Gaddis and Malvarose | None | None |

RESOLUTION NO. 2023-1657
A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NIPOMO COMMUNITY SERVICES DISTRICT
AUTHORIZING TASK ORDER WITH WALLACE GROUP
FOR PREPARATION OF 2023 SEWER SYSTEM MANAGEMENT
PLAN UPDATE AND AMENDING FY 2022/23 BUDGET

F. GENERAL MANAGER'S REPORT

Mario Iglesias, General Manager, presented the item and answered questions from the Board.

There were no public comments.

G. COMMITTEE REPORTS

None.

H. DIRECTORS' REQUESTS TO STAFF AND SUPPLEMENTAL REPORTS

Director Woodson asked about the legality of removing road signs.

I. CLOSED SESSION ANNOUNCEMENTS

SUBJECT TO BOARD APPROVAL

Nipomo Community Services District
DRAFT REGULAR MEETING
MINUTES

Craig Steele, District Legal Counsel, announced the Item 1(a) would be discussed in Closed Session.

- 1. CONFERENCE WITH DISTRICT LEGAL COUNSEL RE: PENDING LITIGATION PURSUANT TO GC §54956.9
 - a. SMWWCD V. NCSD (SANTA CLARA COUNTY CASE NO. CV 770214, SIXTH APPELLATE COURT CASE NO. H032750, AND ALL CONSOLIDATED CASES

There were no public comments.

There was no reportable action from closed session.

ADJOURN MEETING

President Malvarose adjourned the meeting at 10:10 a.m.

| MEETING SUMMARY | HOURS & MINUTES |
|-----------------|-------------------|
| Regular Meeting | 1 hour 01 minutes |
| Closed Session | 0 hour 09 minutes |
| TOTAL HOURS | 1 hour 10 minutes |

Respectfully submitted,

Mario Iglesias, General Manager and Secretary to the Board

Date

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS
GENERAL MANAGER



DATE: March 17, 2023

AGENDA ITEM

E-1

MARCH 22, 2023

CONSIDER ADOPTING RESOLUTION REVISING NIPOMO COMMUNITY SERVICES DISTRICT ANNEXATION POLICY

ITEM

Consider adopting a resolution that amends and revises the Nipomo Community Services District's ("District") annexation policy. [RECOMMEND ADOPT RESOLUTION AMENDING ANNEXATION POLICY]

BACKGROUND

At the Nipomo Community Services District ("District") March 8, 2023 Board Meeting, your Board directed staff to review the District's Annexation Policy ("Policy") and, if necessary, clarify the conditions of annexation that are consistent with the District's mission and all applicable laws and regulations. The mission of the District is to "Provide our customers with reliable, quality, and cost-effective services now and in the future."

District staff and General Counsel reviewed the Policy and determined that, for the purpose of clarity, language in the "Intent" section of the Policy should include verbiage defining the tax sharing negotiations required under the Local Agency Formation Commission ("LAFCO"). The revisions to the Policy recommended and presented by staff makes clear that the Board considers successfully negotiating a tax sharing agreement with the County of San Luis Obispo a critical element in establishing benefit and equity for District customers.

FISCAL IMPACT

Funds for staff time to support the review and revisions to the annexation policy are included in the Budget. The financial impacts to the District vary widely with regard to Board actions taken either to adopt, modify, or reject the recommended amendments to the annexation policy.

STRATEGIC PLAN

Goal 6 – GOVERNANCE AND ADMINISTRATION – Conduct District activities in an efficient, equitable and cost-effective manner.

RECOMMENDATION

Staff recommends that the Honorable Board review the amended annexation policy language and, if found to be in order, adopt the resolution amending the District's annexation policy.

ATTACHMENT

A. Resolution 2023-XXX, 2023 Amended Annexation Policy

MARCH 22, 2023

ITEM E-1

ATTACHMENT A

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT AMENDING
THE DISTRICT'S ANNEXATION POLICY**

WHEREAS, the Nipomo Community Services District ("District") is formed under the Community Services District Law (Govt. Code §61100 et seq.) and provides water, sewer, and solid waste services within its service area pursuant to Govt. Code §61100 of the Community Services District Law; and

WHEREAS, the Local Agency Formation Commission of San Luis Obispo County ("LAFCO") is charged with the authority to review and approve all requests for annexations, sphere of influence changes, and other changes in organization of the District; and

WHEREAS, LAFCO adopted a Sphere of Influence Update and Municipal Service Review for the District on or about March 15, 2018; and

WHEREAS, the District's Board of Directors has adopted an Annexation Policy by Resolution No. 2020-1540; and

WHEREAS, subsequent to the adoption of the District's most recent Annexation Policy, the Board has determined clarification of the Annexation Policy with regard to the subject of property tax revenue exchange agreements is in order; and

WHEREAS, the Board of Directors finds and declares that the policies adopted by this Resolution are consistent, and do not conflict, with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 or with the LAFCO actions described herein.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

1. The facts and findings stated above are true and correct to the best of the Board's knowledge and incorporated herein.
2. The Annexation Policy of the Nipomo Community Services District, as adopted in Resolution 2020-1540, is hereby amended as follows:
 - a. Section II, Intent, is amended to read (additions are underlined, deletions are ~~struck through~~):

"II. INTENT

The Board of Directors intends to review all annexation requests with the aim of supporting the viability of the District in providing essential services and adhering to the District's mission statement:

"Provide our customers with reliable, quality, and cost-effective services now and in the future."

The District recognizes the need to preserve and enhance the availability and quality of its services and of the water resources within the Nipomo Mesa Management Area. With this intent and within the framework of this

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING A
REVISED ANNEXATION POLICY**

annexation policy, the District acknowledges that, where conditions and findings will preserve and enhance District services and the water resources that support District customers, and where, if applicable, the District and the other involved government entities approve an agreement as to the amount of property tax revenues that will be exchanged in future years, consistent with historic property tax revenue sharing agreements with regard to the percentage allocated to the District, thereby ensuring equity between existing customers and customers applying for annexation. Under these expressed conditions, annexations may provide a greater benefit to the community than the formation of homeowners associations or mutual water companies for the operation of water and/or sewer systems in the Nipomo Mesa area.”

- b. Section IV, Annexation Requirements, Paragraph J, is hereby amended to read (additions are underlined, deletions are ~~struck through~~):

“J. The applicant shall apply to and obtain approval from LAFCO for approval of the proposed annexation as required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, or any successor statute. As one requirement of the annexation proceeding, the District will negotiate in good faith with the County of San Luis Obispo, or any other affected local government entity, to achieve a mutually acceptable agreement for the exchange of property tax revenue as provided in Revenue and Taxation Code Sections 99 and 99.01, or any successor statutes. No annexation of property affecting the District may go forward without the District Board's approval of such an agreement. To promote equity and fairness upon the annexation of customers into the District, it is the policy of the District that every proposed property tax revenue exchange agreement for an annexation shall allocate to the District a percentage of property tax revenue from the annexation that is consistent with the percentages the District has agreed to accept in previously approved annexations, except where the Board makes express written findings that extenuating circumstances apply and that a variation from this Paragraph IV J will not establish precedent for future annexations.”

3. The adoption of this amendment to an administrative policy is not a “project” as defined in Public Resources Code Section 21065, as it is not an activity that may cause a direct or indirect change in the environment and is thus not subject to review under the California Environmental Quality Act (“CEQA”).

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2023-XXXX**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT ADOPTING A
REVISED ANNEXATION POLICY**

Upon motion by Director _____, seconded by Director _____, on the following roll call vote,
to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

the foregoing resolution is hereby passed and adopted this 22nd day of March, 2023.

RICHARD MALVAROSE

President of the Board

ATTEST:

APPROVED AS TO FORM:

MARIO E. IGLESIAS

General Manager and Secretary to the Board

CRAIG A. STEELE

District Legal Counsel

TO: BOARD OF DIRECTORS
 FROM: MARIO IGLESIAS
 GENERAL MANAGER
 DATE: March 17, 2023

**AGENDA ITEM
 F
 MARCH 22, 2023**

GENERAL MANAGER'S REPORT

ITEM

Standing report to your Honorable Board -- *Period covered by this report is March 5, 2023 through March 18, 2023.*

DISTRICT BUSINESS

Administrative

The District encourages residents to provide reports of any observed water waste. The District also keeps an accounting of leak adjustments as a measure of non-revenue water lost to leaks, as well as tracking late fee waivers. The table below provides February data which, at this point is the most current monthly data available.

OFFICE ACTIVITIES

| | Feb 23 | Jan 23 - Feb 23 |
|-----------------------------------|----------|-----------------|
| Reports of Water Waste | 0 | 0 |
| Leak Adjustments | 3 | 3 |
| Leak Adjustment Amount | \$387 | \$387 |
| Late Fee Waivers | 16 | 24 |
| Late Fee Waiver Adjustment Amount | \$2,795* | \$2,936 |

*SLO County Late fee waiver amount \$2,100

Water Resources

For the first eight months of the 2022-23 Fiscal Year, the District's total combined production, including groundwater production wells and supplemental water imported through the Joshua Road Pump Station, registered 1,163 AF. As has been the trend of late, imported water through the Joshua Road Pump Station was greater than the groundwater production. This trend will continue through the year as the District strives to maintain the 50% groundwater reduction goal.

| | Feb - 23 | Jul 22 - Feb 23 |
|-----------------------------|-------------|-----------------|
| Groundwater Production | 20.4 | 411.5 |
| Supplemental Water Imported | <u>70.2</u> | <u>751.5</u> |
| Total Production | 90.6 | 1,163.0 |

NCSD GW Reduction

The District's purveyor customers, Golden State Water Company and Woodlands Mutual Water Company, each are responsible for 16.66% (cumulatively 33.33%) of the imported water NCSD brings onto the basin through the NSWP. Of the 1,000 AF minimum imported water from the City of Santa Maria, 333 AF or 33.33% of the total imported water – whichever is greater – will be credited to these two purveyor customers. The credited amount must be added to the District's groundwater pumping total every month to reflect the groundwater pumped by these customers in-lieu of taking imported water from the District. Table 2 captures this data.

Table 2. NCSD GW Production (NCSD GW Well Production plus Purveyor Credit)

| | Feb - 23 | Jul 21 – Feb 23 |
|--|----------|-----------------|
| NCSD GW Well Production | 20.4 | 411.5 |
| Purveyor Customer Credit (33.3% of Import Water) | 23.4 | 250.4 |
| NCSD Total Calculated GW Production | 43.8 | 661.9 |
| Average GW Production for 2009-2013 | 122.0 | 1,648.7 |
| NCSD Percentage of GW Reduction | 64% | 60% |

2022 Fiscal Year Groundwater Pumping Forecast

Table 3 projects the District’s groundwater pumping reduction for the 2022-23 Fiscal Year. Under the current Stage 4 of the NMMA Water Shortage Response Stages, the District’s targeted groundwater pumping reduction goal is to pump no more than 1,266 AFY (50% of 2009-2013 average District GW Pumping). The eight months of fiscal year 2022-23 actual – July through February – are combined with historic production from March 2022 through June 2022 to provide a projected estimate year end status.

Table 3. Projected Groundwater Pumping

| | Year-to-Date | | Target | Over/(Under) | |
|--|--------------|--------------|---------|--------------|------|
| | Feb-22 | Jul-Jun 2023 | | | |
| NCSD GW Well Production | 20.4 | 717.5 | | | |
| Purveyor Customer Credit (33.3% of Import Water) | 23.4 | 377.5 | | | |
| NCSD Total Calculated GW Production | 43.8 | 1,094.9 | 1,266.7 | 172 | AcFt |
| Average GW Production for 2009-2013 | 122.0 | 2,533.4 | 2,533.4 | | |
| NCSD Percentage of GW Reduction | 64% | 56.8% | 50.0% | | |

As demonstrated in Table 3 above, the District will achieved its 50% groundwater pumping reduction target by 172 AcFt under the conditions stated in the previous paragraph.

Below, Table 4 compares groundwater pumping for the same periods in 2023 and 2022.

Table 4. FY 2023 vs. FY 2022 Groundwater Pumping

| | Feb-23 | Jul 22 - Feb 23 | Feb-22 | Jul 21 - Feb 22 |
|--|--------|-----------------|--------|-----------------|
| NCSD GW Well Production | 20.4 | 411.5 | 61.8 | 376.8 |
| Purveyor Customer Credit (33.3% of Import Water) | 23.4 | 250.4 | 25.5 | 239.6 |
| NCSD Total Calculated GW Production | 43.8 | 661.9 | 87.3 | 616.3 |
| Average GW Production for 2009-2013 | 122.0 | 1,648.7 | 122.0 | 1,648.7 |
| NCSD Percentage of GW Reduction | 64.1% | 59.9% | 28.4% | 62.6% |

Table 4 view of the data provides operations personnel with insight into year-end water production values and assists in their efforts to balance import and groundwater production with the purpose of reducing groundwater pumping to meet the self-imposed 50% pumping groundwater reduction – the current stage IV objective.

Rainfall Gauge

| (Reported in inches) | Nipomo East (Dana Hills Reservoirs) | Nipomo South (Southland Plant) |
|--|--|-----------------------------------|
| Feb. 2023 Total | 5.68 | 4.47 |
| July-2022 through Feb-2023 (Season Total) | 26.47 | 19.99 |
| Mar 1, through Mar 17, 2023 | <u>6.17</u> | <u>3.73</u> |
| Total Rainfall to date | 32.64 | 23.72 |
| County Reported Avg. Ann. Year Rainfall ¹ | 18.00 | 14.00 |
| 2006 - 2020 Avg. Ann. Year Rainfall ¹ | 15.39 | 13.30 |
| 2006 - 2020 Median Ann. Rainfall ¹ | 12.64 | 11.30 |

Note:

1. Data from County website

Connection Report

Nipomo Community Services District
Water and Sewer Connections

END OF MONTH REPORT

| | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov-23 | Dec-23 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Water Connections (Total) | 4506 | 4509 | | | | | | | | | | |
| Sewer Town connections (1) | 2738 | 2742 | | | | | | | | | | |
| Sewer Blacklake connections | 559 | 559 | | | | | | | | | | |
| Subtotal | 3297 | 3301 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Galaxy and PSSH at Orchard and Division Sewer connections billed to the County | 484 | 484 | | | | | | | | | | |
| Sewer Connections (Total) | 3781 | 3785 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Water Connections | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Sewer Connection | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| New Sewer Connection-Galaxy and PSH | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

The Connection Report as of March 3, 2023

Supplemental Water Capacity Accounting

Summary Since January 25, 2008

| | Number of Equivalent Meters | AFY |
|--|--------------------------------|--------------|
| Supplemental Water Available for Allocation | 947 | 500.0 |
| Supplemental Water Reserved (Will Serve Letter Issued) | 149 | -78.1 |
| Subtotal Net Supplemental Water Available for Allocation | 798 | 421.9 |
| Supplemental Water Assigned (Intent-to-Serve Issued) | 185.6 | -98.0 |
| Total Remaining Supplemental Water Available for Allocation | 612 | 323.9 |

Updated March 3, 2023

Safety Program

No Reportable Safety Issues

All-Staff Quarterly Safety Meeting Scheduled for March 24, 2023

Other Items

- Dana Reserve – Schedule [Attachment B] (no change)
- County DESAL Committee Meetings [Attachment C] (no change)

Meetings (March 5 through March 18)

Meetings Attended (telephonically or in person):

- Mar 6, Staff Mtg. - Admin Supervisor Mtg.
- Mar 6, SCAC Monthly Meeting
- Mar 7, NCSD Eng/Admin Weekly Meeting
- Mar 8, Rotary
- Mar 8, NCSD Regular Board Meeting
- Mar 8, After-Board Exec. Team Meeting
- Mar 9, Executive Staff Personnel Manual Workshop
- Mar 9, Collaborative Solutions – Leadership Training
- Mar 10, Staff Mtg. - Cust. Service Specialist
- Mar 10, AWWA Proctor Exams – Sacramento
- Mar 13, Staff Mtg. - Admin Supervisor Mtg.
- Mar 13, NCSD Management Team Mtg.
- Mar 13, PG&E Quarterly Meeting
- Mar 13, IWMA Local Task Force Meeting
- Mar 14, County OES Storm Coordination
- Mar 14, NCSD Board Officer Mtg.
- Mar 15, Rotary
- Mar 15, Security Hardening – Admin Bldg. Fencing
- Mar 16, NCSD Finance and Audit Comm. Mtg.
- Mar 17, Staff Mtg. - Cust. Service Specialist

Meetings Scheduled (March 19 through March 25):

Upcoming Meetings (telephonically or in person):

- Mar 20, Staff Mtg. - Admin Supervisor Mtg.
- Mar 20, SCAC Elections
- Mar 21, NCSD Eng/Admin Weekly Meeting
- Mar 21, Collaborative Solutions – Leadership Training
- Mar 21, NCSD Administration Committee Mtg.
- Mar 22, Rotary
- Mar 22, NCSD Regular Board Meeting
- Mar 22, After-Board Exec. Team Meeting
- Mar 22, NCSD Ad-hoc Staffing Committee
- Mar 23, Eagle Aerial – Water Conservation
- Mar 24, Staff Mtg. - Cust. Service Specialist
- Mar 24, NMMA-TG Manager's Meeting
- Mar 24, NMMA-TG Meeting

Upcoming Water Resource and Other Meetings

Upcoming Standing Meetings:

- *NMMA-TG: March 24th (Thursday) @ 10:00 AM, Zoom Meeting*
- *RWVG: No Meeting Scheduled for November*
- *WRAC: April 5th (Wednesday) @ 1:30 pm, County Library*
- *NMMA Manager's Meeting: March 23rd (Thursday) @ 10:00 AM, Zoom Meeting*
- *NCSD Board Officer Meeting: April 4th (Tuesday) @ 3:30 pm, NCSD Board Rm*
- *BLMA: April 4th (Tuesday) 2:00 pm, BL Community Center*

RECOMMENDATION

Staff seeks direction and input from your Board

ATTACHMENTS

- A. Dana Reserve Schedule (Updated)
- B. Desal Meeting Schedule

MARCH 22, 2023

ITEM F

ATTACHMENT A

DANA RESERVE REVIEW SCHEDULE (AS OF 3/17/2023)

Status Update: Added Planning Commission & Board of Sups. Meeting month estimates for 2023

| Date | Description | Comment |
|---------------------------|--|--|
| April 24, 2022 | NCSD Review "Utility" Section of EIR | |
| June 16, 2022 | Release of EIR | Extended from May 16, 2022 |
| July 14, 2022 | SLO County Planning Comm. Study Session | Zoom Meeting |
| July 21, 2022 | LAFCO Study Session | County Lead Agency (9:00 am) |
| Aug. 1, 2022 ¹ | Close Public Comment - DEIR | Was June 20, 2022 (Mario on Vaca) |
| Sept. 2022 | Consider Ad-hoc Comm. (Annexation Agr.) | Establish January 2023 |
| Nov. 17, 2022 | NOTICE OF PETITION OF APPLICATION FOR ANNEXATION #30 DANA RESERVE ¹ | 60 Day Letter |
| Jan. 9, 2023 | Ad-hoc Com. – Response to Notice of Petition | Prepare for Jan. 11 th Board Mtg. |
| August 2023 | County Planning Commission | At least one meeting |
| October 2023 | County Board of Supervisors | Accept EIR |
| Q-1 2023 | LAFCO Inquiry of NCSD (Service Provisions) ² | |
| November 2023 | NCSD Board | Annexation Application |
| December 2023 | LAFCO Review & Approval | After Tax Sharing Agreement |

The above schedule is suggested and drawn from conversations with staff from the County, LAFCO, and the Developer. This schedule is a rough outline and is subject to change over time.

Notes:

1. NCSD Staff will provided a staff report at the January 11th Board Meeting that provided the Board of Directors with more information and possible actions.
2. Developer shifted to an annexation process that focuses first on LAFCO application and second the District's application process. Under this format, LAFCO will be the agency that coordinates communication between the Developer and NCSD.

Developer mailed letter September 20, 2022 to residents in Nipomo directing their attention to District website and the three reports addressing utilities – focus on explaining water situation.

RWG submitted comments on the Dana Reserve Specific Plan DEIR, August 1, 2022, to the County of San Luis Obispo supervision planner, Jennifer Guetschow.

Phasing Plan Schedule – Defines the fee schedule for the development. (May slip do to key NCSD staff shortage)

| | |
|---|-------------------------|
| Administrative Draft Final Report | Monday, April 3, 2023 |
| District Comments on Admin Draft Final Report | Friday, April 14, 2023 |
| Draft Final Report | Friday, May 5, 2023 |
| District Board Presentation | Wednesday, May 24, 2023 |
| Final Report | Friday, June 9, 2023 |

MARCH 22, 2023

ITEM F

ATTACHMENT B

Update: March 17, 2023

Mario Iglesias

County Water Action Team (CWAT)

County DESAL Meetings

| Date | Speaker | Item/Issue/discipline | Company |
|-----------|----------------|---|---------------------------------------|
| 1/10/2023 | Dmitry Semenov | Financing Projects | Ridgeline Municipal Strategies, LLC |
| 1/12/2023 | Eric Miller | Fisheries Biologist | Miller Marin Science Consultants |
| 1/17/2023 | Did Not Attend | | |
| 1/19/2023 | Tim Hogan | Biologist | TWB Environmental Research Consulting |
| 2/6/2023 | Rob Morrow | Engineering/Planning Team | WSC Inc. (Local Group) |
| 2/7/2023 | Did Not Attend | | |
| 2/7/2023 | Lydia | Planning and Feasibility | Carollo Engineering |
| 2/9/2023 | Larry Kraemer | Engineering Firm | Cannon Eng. |
| 2/9/2023 | Daniel Heimel | Program Management/Engineering Services | Confluence Engineering Solutions |
| | | | |

1. **DESAL Plan participation:** The following agencies have adopted resolutions or submitted letters agreeing to participate: the Cities of San Luis Obispo, Arroyo Grande, Morro Bay, Paso Robles, the Community Services Districts of Avila Beach, Cambria, Los Osos, Nipomo, San Miguel, Templeton, Oceano and other water purveyors, such as Atascadero Mutual, Golden State, San Miguelito and Santa Barbara County
 - a. Grover is targeting next week for consideration
2. **DESAL Plan scope / grant:** We submitted an application (attached) to USBR and anticipate hearing about awards no later than June. To fit the timing required for USBR's grant (project must be completed w/in 24 months), Phase 2 was broken into Phase 2a and Phase 2b (snippet of 5 phases below)
 - a. **Phase 2a (proposed grant scope)**
 - i. Will be completed within 24 months and, if awarded grant, will cost District \$550K and USBR \$550K for total \$1.2M project
 - ii. Will include public engagement, identifying/vetting/analyzing project concept alternatives
 - iii. Outcome will be "short-list" of potential projects to further pursue and scope/schedule/budget to do so in Phase 2b
 - b. **Phase 2b (not proposed in grant scope)**
 - i. Will include more detailed analysis/studies of projects on "short-list"
 - ii. Outcome will be selection of single preferred project to move forward to Phase 3
3. **Desal planning meetings:**
 - a. CWAT meetings (TBD) – we'll be reaching out for your availability soon to schedule the next CWAT meeting and round of working group / consultant meetings

Update: March 17, 2023

Mario Iglesias

- the request for your availability may come from Jenny Williamson in our office – please respond at your earliest convenience so we can continue coordination with the consultants’ availabilities, etc.
 - a. Board of Supervisors (April) – The grant application requires the District to adopt a resolution within 60 days of submitting the grant application. We plan to go to our Board on April 18 with the required resolution, along with an update on the scope and request for direction to return with a consultant contract
2. Misc. desal info just fyi
- a. Glenn Farrel (CalDesal Executive Director) sent over the CalDesal Regulatory Committee Meeting Agenda Packet; it includes a brief write-up on Innovations in Desalination and newly-introduced legislation relevant to desal projects
 - b. Paul Herman (GHD contact) sent over the International Weekly Desal Report; it includes a brief write-up on the CalDesal conference (key note: the SWRCB representative said the State’s desal siting guidelines anticipated this summer will be out for public comment in April!)

WaterSMART: Water Recycling and Desalination Planning, FY 2023

NOFO No. R23AS00076

Desalination Executable Solution and Logistics (DESAL) Plan



San Luis Obispo County Flood Control and Water Conservation District

Project Manager:

Angela Ford
County Government Center, Room 206
San Luis Obispo, CA 93408
arford@co.slo.ca.us
805-781-5139

Submitted To:

Bureau of Reclamation Mail Services
Attn: NOFO Team
Denver Federal Center
Bldg. 67, Rm. 152
6th Avenue and Kipling Street
Denver, CO 80225

2/28/2023

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